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PP RUEHQU
DE RUEHPU #1880 2721834
ZNR UUUUU ZZH
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FM AMEMBASSY PORT AU PRINCE
TO RUEHC/SECSTATE WASHDC PRIORITY 4222
INFO RUEHZH/HAITI COLLECTIVE PRIORITY
RUEHBR/AMEMBASSY BRASILIA PRIORITY 1242
RUEHSA/AMEMBASSY PRETORIA PRIORITY 1084
RUEHQU/AMCONSUL QUEBEC PRIORITY 0592
RUCPDO/DEPT OF COMMERCE WASHDC PRIORITY
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY

UNCLAS PORT AU PRINCE 001880

SIPDIS

SIPDIS

STATE FOR WHA/CAR
EB/IFD
S/CRS
SOUTHCOM ALSO FOR POLAD
STATE PASS TO USAID FOR LAC/CAR
INR/IAA (BEN-YEHUDA)
COMMERCE FOR SCOTT SMITH
TREASURY FOR JEFFERY LEVINE
WHA/EX PLEASE PASS USOAS

E.O. 12958: N/A
TAGS: [PGOV](#) [ECON](#) [HA](#)
SUBJECT: PARLIAMENT RATIFIES FY07 BUDGET

REF: PAP 1842

¶1. The Haitian parliament ratified the executive's FY07 budget, with some modifications per ref. The chamber passed the budget September 27 by a vote of 40 out of 53 deputies present; the senate passed the budget one day later with a unanimous vote of 27 senators. At this point, parliament passes the ratified budget to the executive, either to be approved and published, or re-modified and returned to parliament. According to Senator Kelly Bastien of the finance commission, finance minister Daniel Dorsainvil is not satisfied with the changes, but is under pressure from President Rene Preval to approve the budget and publish it as is, given the start of FY07 on October 1.

¶2. President Preval's economic advisor Gabriel Verret told econoff September 29 that the executive, though largely satisfied with the budget's rapid ratification, is disappointed with the reallocation of about 900 million Haitian gourdes (about USD 25 million) from the public intervention fund. The parliamentarians reallocated the funds to the feasibility study of creating a national army and to their own "pork barrel politics," according to Verret. Also, Verret complained that the parliamentarians did not specify from where the 900 million Haitian gourdes should be removed. (The public intervention fund was intended for a number of projects, including energy funds.) Verret confirmed that Dorsainvil's initial reaction was to reject the budget, but that the executive will most likely approve it as is.
SANDERSON